

CHAPTER NO. 752

HOUSE BILL NO. 2617

By Representatives Davidson, Winningham, Hood, Maddox, Boyer, McDonald

Substituted for: Senate Bill No. 2378

By Senators Womack, McNally, Miller, Williams, Ramsey, Crowe

AN ACT to request the Council on Pensions and Insurance to study certain issues relative to extended insurance for certain retired employees.

WHEREAS, under the provisions of Tennessee Code Annotated, Section 8-27-205 and 8-27-209, the State of Tennessee provides group insurance benefits for retired state and higher education employees with premiums based on years of service; and

WHEREAS, since 1976, the State has provided a program through which local education employees may participate in a group insurance plan to which the State of Tennessee makes premium contributions; and

WHEREAS, under the provisions of Tennessee Code Annotated, Title 8, Chapter 27, Part 3, which provides group insurance coverage for local education employees, retired teachers who receive retirement benefits through the Tennessee Consolidated Retirement System may continue group insurance coverage; and

WHEREAS, when the local education employee insurance program was established several local education agencies maintained separate, local insurance programs, and some still do; and

WHEREAS, likewise some local education agencies maintain local retirement programs and their employees are not covered by the Tennessee Consolidated Retirement System; and

WHEREAS, many teachers are retired from local education agencies which either had no insurance plans or which did not participate in the state-sponsored plan; and

WHEREAS, there is interest in determining the feasibility of including all retired teachers in a group insurance program comparable to that enjoyed by retired state employees, but the number of potential beneficiaries and the possible costs are not now known; therefore,

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. The council on pensions and insurance is requested to conduct a study of the issues associated with the provision of insurance coverage for retired teachers and other employees of local government agencies and for retired state employees. The study shall review:

(1) The availability of coverage for retirees from school systems participating in the local education insurance plan.

(2) The availability of coverage for retirees from school systems maintaining insurance coverage through locally sponsored coverage;

(3) The availability of coverage for retirees participating in local retirement systems for school system employees.

(4) The cost implications of the various options available or to be made available to retired teachers and other school system employees.

(5) The coverage and eligibility provisions for retired state employees.

(6) The issues associated with and the cost implications of retirees who become eligible for Medicare.

SECTION 2. The council is requested to report its findings and recommendations to the House and Senate Education Committees, the House and Senate Finance, Ways and Means Committees and the House and Senate State and Local Government Committees by March 1, 1999.


SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it.

PASSED: April 1, 1998


JIMMY RAIFEH, SPEAKER
HOUSE OF REPRESENTATIVES


JOHN S. WILDER
SPEAKER OF THE SENATE

APPROVED this 15th day of April 1998


DON SUNDQUIST, GOVERNOR